


STATEMENT OF EMERGENCY
103 KAR 3:060E

This emergency administrative regulation is being promulgated in order to provide Kentucky taxpayers the form necessary to apply for tax amnesty. This administrative regulation must be filed as soon as possible in order to comply with the tax amnesty program time frame established by KRS 141.400(4)(b) and to incorporate by reference the Kentucky Tax Amnesty Application form as may be needed by taxpayers and their representatives to apply for tax amnesty. This emergency administrative regulation shall not be replaced by an ordinary administrative regulation because KRS 141.400(4)(b) requires that the tax amnesty program be conducted for a period between sixty (60) to one hundred twenty (120) days during the fiscal year ending June 30, 2013.

9/27/12
Date

9/27/12
Date


Steven L. Beshear, Governor


Thomas B. Miller, Commissioner
Department of Revenue
Finance and Administration Cabinet

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Department of Revenue

3 Office of Processing and Enforcement

4 (Emergency Administrative Regulation)

5 103 KAR 3:060E. Kentucky Tax Amnesty Application.

6 RELATES TO: KRS 131.400, 131.410, 131.420, 131.425, 131.430, 131.435, 131.440,
7 131.445

8 STATUTORY AUTHORITY: KRS 131.130(3), KRS 131.430

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(3) authorizes the
10 Department of Revenue to prescribe forms necessary for the administration of any revenue law
11 by the promulgation of an administrative regulation incorporating the forms by reference. KRS
12 131.430 authorizes the department to promulgate administrative regulations to implement a tax
13 amnesty program. This administrative regulation incorporates by reference a form used by
14 taxpayers to apply for tax amnesty.

15 Section 1. Kentucky Tax Amnesty Required Form.

16 (1) Revenue Form 10A800, "Kentucky Tax Amnesty Application", shall be completed by
17 taxpayers applying for tax amnesty.

18 Section 2. Incorporation by Reference. (1) The following material is incorporated by
19 reference:

20 (a) Revenue Form 10A800, "Kentucky Tax Amnesty Application", August 2012.

1 (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at
2 the Kentucky Department of Revenue, 501 High Street, Frankfort, Kentucky 40620, or at any
3 Kentucky Department of Revenue Taxpayer Service Center, Monday through Friday, 8 a.m. to 5
4 p.m.

APPROVED:



Thomas B. Miller, Commissioner
Department of Revenue
Finance and Administration Cabinet

9/27/12

Date

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on November 28, 2012, from 10:00 a.m. to 12:00 p.m., in Room 386, Capitol Annex Building, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing at least five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by the required date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on this proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until November 30th, 2012. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: DeVon Hankins, Policy Advisor, Office of General Counsel, Finance and Administration Cabinet, 392 Capitol Annex, Frankfort, Kentucky, 40601, (502) 564-6660 (telephone), (502) 564-9875 (fax).

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation: 103 KAR 3:060E

CONTACT PERSON: DeVon Hankins, Policy Advisor, Office of General Counsel, Finance and Administration Cabinet, 392 Capitol Annex, Frankfort, Kentucky, 40601, (502) 564-6660 (telephone), (502) 564-9875 (fax)

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation incorporates by reference the Kentucky Tax Amnesty Application form.

(b) The necessity of this administrative regulation: This administrative regulation is necessary in order to provide taxpayers with a form to submit an application for tax amnesty.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 131.130(3) provides that the department shall promulgate administrative regulations necessary to administer Kentucky's tax laws, and KRS 131.430 authorizes the department to promulgate administrative regulations to implement a tax amnesty program.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation will assist the department in the administration of the Kentucky tax amnesty program by incorporating by reference an application form.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: N/A

(b) The necessity of the amendment to this administrative regulation: N/A

(c) How the amendment conforms to the content of the authorizing statutes: N/A

(d) How the amendment will assist in the effective administration of the statutes: N/A

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: All taxpayers filing applications with the department seeking approval for Kentucky tax amnesty.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new or by the change if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: The entities identified in question (3) will follow the guidance provided in this administrative regulation when filing: (i) an application (Kentucky Form 10A800) for Kentucky tax amnesty.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): Taxpayers applying for amnesty will be required to pay the tax and fifty percent (50%) of the interest due the Commonwealth on tax bills that are eligible for amnesty.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): The entities in question (3) will have an application form to apply for Kentucky tax amnesty.

(5) Provide an estimate of how much it will cost the administrative body to implement

this administrative regulation:

(a) Initially: There will be a minimal cost initially in the administrative regulation process for the department. A small amount of cost will be incurred to provide the Kentucky Tax Amnesty Application form on the tax amnesty website at www.amnesty.ky.gov and on the department's website at www.revenue.ky.gov. Also, a small amount of costs associated with notifying taxpayers of this administrative regulation will be incurred.

(b) On a continuing basis: There will be no additional cost for the department on a continuing basis as a result of this administrative regulation.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: No additional funding will be needed for the implementation and enforcement of this administrative regulation.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No increase in fees or funding will be necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not): Tiering does not apply to this administrative regulation as it applies to all taxpayers seeking the department's approval of their Kentucky Tax Amnesty Application.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Administrative Regulation: 103 KAR 3:060E

CONTACT PERSON: DeVon Hankins, Policy Advisor, Office of General Counsel, Finance and Administration Cabinet, 392 Capitol Annex, Frankfort, Kentucky, 40601, (502) 564-6660 (telephone), (502) 564-9875 (fax)

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Finance and Administration Cabinet, Department of Revenue (department), will be impacted by this administrative regulation.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 131.130(3) and KRS 131.430 authorize the action taken by this administrative regulation.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. This administrative regulation will assist in the generation of additional General Fund and Road Fund revenues as part of the Kentucky Tax Amnesty program. The Department of Revenue's expenditures will increase slightly during the notification of taxpayers of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The application form incorporated by reference in this regulation will assist in the generation of approximately sixty million dollars (\$60,000,000) during the fiscal year ending June 30, 2013.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate any tax revenue for the Commonwealth in subsequent years.

(c) How much will it cost to administer this program for the first year? The cost to administer the tax amnesty program is estimated to be between three to four million dollars.

(d) How much will it cost to administer this program for subsequent years? None.

2012
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SUMMARY OF FORMS
INCORPORATED BY REFERENCE

1) Revenue Form 10A800, "Kentucky Tax Amnesty Application," effective August, 2012, is a three page form filed by a taxpayer with the Kentucky Department of Revenue for approval for tax amnesty under the provisions of KRS 131.400 to KRS 131.445.

**KENTUCKY TAX AMNESTY APPLICATION**

(Application must be completed in its entirety. Print or type.)

INDIVIDUAL		BUSINESS	
Taxpayer's Last Name First Name M.I.		Business Name	
Spouse's Name (if joint/combined individual income tax)		DBA (if applicable)	
Taxpayer's Mailing Address		Business Mailing Address	
City State Zip Code		City State Zip Code	
County of Residence		Out of Business Date (if applicable) County of Business Location	
Taxpayer's Social Security No. Spouse's Social Security No.		Principal Officer/Owner Name Title Social Security No.	
		Corporate officers and LLC members may be individually assessed for corporation or LLC tax liabilities. Are you paying this liability as a corporate officer or LLC member? Y or N (please circle) If yes, please include the officer's address in the Individual Section.	
Daytime Phone No.	Evening Phone No.	E-mail address	
If you are a business taxpayer, enter the account number of the tax types for which Tax Amnesty is requested.			
Withholding Tax No.	Corporation Tax No.	Sales and Use Tax No.	Coal Tax No.

PAYMENT METHOD

To pay electronically, first fax the completed, signed application and any associated returns to 502-564-9200. The Department of Revenue will contact you at the daytime phone number provided for electronic payment information.

To apply and pay by mail, make all checks or money orders payable to the Kentucky State Treasurer and notate "amnesty" on your payment. Mail your payment, along with this signed certification page and any applicable returns or reports to the Department of Revenue, P. O. Box 6950, Frankfort, KY 40602.

Total Amount Due

Tax Due on Attached Returns (additional liability will be billed and must be paid within 10 days) \$ _____

Amount Due on Unpaid Notices \$ _____

Total Due \$ _____

The table along with the completed certification must be submitted.

[illegible]

Commonwealth of Kentucky
DEPARTMENT OF REVENUE

CERTIFICATION

I certify that I am eligible for the Kentucky Tax Amnesty Program as defined in KRS 131.400 *et seq.* and that the information contained within, along with all accompanying returns and reports, is, to the best of my knowledge, true, correct, and complete. I understand that I am solely responsible for disclosing all taxes for which I am statutorily liable.

Name of Taxpayer *(please print)*

Full Mailing Address of Taxpayer

Signature of taxpayer or authorized agent

Title

Date

Signature of spouse *(if joint/combined individual income tax)*

Date

Daytime Phone

Evening Phone

E-mail Address